

FILED**5 1999**

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION**

**FRANCY B. DEANS, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.**

IN RE:**CASE NUMBERS****INTERNATIONAL HERITAGE, INC.,****98-02675-5-ATS****INTERNATIONAL HERITAGE,
INCORPORATED,****98-02674-5-ATS****DEBTORS.****ORDER CONTINUING HEARING AND APPOINTING MEDIATOR**

A hearing was scheduled for May 5, 1999, to consider the application of the chapter 7 trustee, Holmes P. Harden, to enter into a settlement with the Securities and Exchange Commission. Objections were filed by Acstar Insurance, L. C. Gilbert, Stanley Van Etten and Chittenden Bank. The parties agree that the hearing should be continued to allow the parties to explore a settlement.

The hearing is **CONTINUED** to June 15, 1999, at 1 p.m. at the U.S. Bankruptcy Court, U.S. Courthouse and Post Office Building, 300 Fayetteville Street Mall, Room 208, Raleigh, North Carolina.

The parties agreed that the appointment of a mediator would be helpful in resolving their disputes, and the court **APPOINTS** Jacqueline R. Clare as mediator for the purpose of mediating the issues pending before the court. The costs of the mediation shall be paid by the debtor, the Securities and Exchange Commission, Stanley Van Etten and Acstar Insurance.

Additionally, the scope of the mediation may be expanded to include all pending disputes in this case, and costs will be assessed by the court if the additional parties are unable to agree

178 ATB, JKL, MME, Clare, AA
cc: Webster, AA, Ta, Fanning, Wood, Rockkind, Kounce, Garber, Garthman, Sherrill

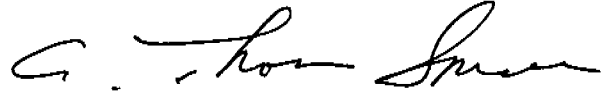
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on how costs are to be allocated. Ms. Clare will be paid her customary hourly rate of \$125. The court's local mediation rules (E.D.N.C. LBR 9019-2) will apply, and the settlement conference shall be concluded no later than June 14, 1999.

SO ORDERED.

DATED:

MAY - 5 1999

A handwritten signature in cursive script, appearing to read "A. Thomas Small".

A. Thomas Small
Bankruptcy Judge